

Restriction on cash gifts from outside sources

In our previous articles on gifts from outside sources, we have discussed the general rules, common exclusions (things that don't legally count as a "gift"), common exceptions (gifts that you can legally accept under limited circumstances), and what to do with a gift when none of those apply. This time we will talk about the restriction on cash gifts from outside sources.

The Standards of Conduct (5 C.F.R. § 2635.204(a)) allows acceptance of gifts from prohibited sources or gifts given based on the official position of the employee valued at \$20 or less, with no more than \$50 in total gifts from any single source per year. However, that same section prohibits gifts of cash altogether, even if \$20 or less. That raises a big question though – what is meant by "cash"? Does it include gift cards? The answer depends on the type of gift card.

Store gift cards may be accepted under the \$20/\$50 exception. To count as a store gift card, the card must only be usable with a single merchant or affiliated group of merchants. Furthermore, the gift card cannot allow the holder to withdraw cash from an ATM. Finally, it doesn't matter how many items the store has, so long as you're limited to spending your money there.

However, general-use prepaid cards count as cash and cannot be accepted under the \$20/\$50 exception, regardless of their value. If you can spend the money anywhere that accepts that kind of prepaid card (e.g., Visa, MasterCard, or American Express), the card is treated as cash. For a more in-depth discussion of these rules, please read Office of Government Ethics Legal Advisory LA-15-04.

As a reminder: if you dispose of an improper gift in accordance with the rules, either on your own initiative or on the advice of your ethics counselor, 5 C.F.R. § 205(c) states that you won't be found to have improperly accepted an unsolicited gift from an outside source.

If you have any questions regarding gifts from outside sources, please visit the Little Rock AFB Legal Office located at 1250 Thomas Avenue, Suite 222, or call (501) 987-7886.